

# CARD ROOM CONNECTION

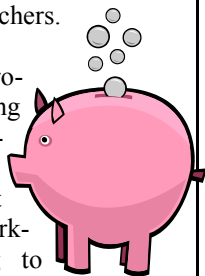
Volume IV, Issue I  
May 2003—August 2003

## WorkFirst Payment Vouchers

By: Jamie Beasley, Licensing Technician

Licensing Services staff receive many calls about the WorkFirst Program. This Program is sponsored by Washington State Employment Security and Department of Social & Health Services (DSHS). WorkFirst assists *qualified* card room employees (CRE) that receive assistance through WorkFirst by reimbursing the initial CRE license fee. Here is what you need to know if you use WorkFirst vouchers.

In order for the WorkFirst program to pay the initial gambling license fee, the WorkFirst representative from Employment Security or DSHS must first contact the card room the WorkFirst participant is applying to work at. The card room must then pay the initial license fee.



WorkFirst will reimburse a card room after the participant's gambling application has been approved.

We cannot process an application until we receive the licensing fee and a complete application. After these are sent to us, the card room should contact WorkFirst directly for reimbursement. All CRE applicants, including WorkFirst participants, must wait ten days from the post-mark date of the check and gambling application before beginning to work at a card room.

For questions, please contact Employment Security's WorkFirst representative Dennis Beatty at (360) 438-4130, or e-mail [dbeatty@esd.wa.gov](mailto:dbeatty@esd.wa.gov) or call Dawn Warren, WSGC Licensing Supervisor at (800) 345-2529 Ext. 3546, or e-mail [dawnw@wsgc.wa.gov](mailto:dawnw@wsgc.wa.gov).

## Strategic Plan Will Mean Faster Service

By: Patrick Griffie, Special Agent Tribal Gaming Unit and  
Strategic Planning Team Member

The Gambling Commission's Strategic Planning Team, along with our Agency Leadership Team, has been working hard to put together a plan to make the agency as efficient and effective as possible. The plan was approved by the Commission at their August 14, 2003, meeting. *The Plan is posted on our website's homepage* and includes several projects licensees and other stakeholders can get excited about. Last October, we contacted many licensees and asked what challenges and changes we might find in the next 5-7 years. Several of our projects are a direct result of that input.

As part of our goal to "Pursue improvements and innovations in agency processes," our Licensing Investigations Division plans to scan inked paper fingerprint cards into a computer and e-mail them as a digital image to the Washington State Patrol and Federal Bureau of Investigation for electronic processing. This will reduce processing turnaround time from 30 days to as little as 24 hours. We hope to have this in place by October 1, 2003.



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## WORD SEARCH

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Games  
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Poker  
Table  
Player  
Wager  
Records  
Prizes

Answer Key  
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back page

*Protect the public by ensuring that gambling is legal and honest.*

## Rules Changes Under Discussion

More information and text of these proposed changes are posted on our website under Public Meetings/September 2003, Commission meeting. Submit your comments on proposed rule changes in writing to: Susan Arland, Rules Coordinator, P.O. Box 42400, Olympia, WA 98504, or e-mail [Susana@wsgc.wa.gov](mailto:Susana@wsgc.wa.gov)

### Minimum Bankroll

The proposed amendment would require house-banked card rooms to maintain a minimum bankroll to pay out all advertised prizes and chips that are in play.

It is anticipated that the Commission will adopt this requirement at the September 12, 2003, Commission meeting to become effective January 1, 2004.

### Customer Appreciation Tournaments

Currently, pre-tournament play requirements to enter a customer appreciation tournament cannot exceed a fifty-dollar entry fee and licensees using the rake method to collect fees cannot require pre-tournament play to exceed ten hours.

At the June Study Session, staff proposed an amendment to limit pre-tournament play for house-banked card rooms offering customer appreciation tournaments to ten hours. This would have brought the rule up-to-date with current policy. At that meeting, a licensee requested that re-

strictions on pre-tournament play be further reviewed.

At the August meeting, the Commission filed an amendment to remove pre-tournament play restrictions, as there isn't a need to have restrictions in a rule. Language was added to require licensees to clearly post pre-tournament play requirements so players are fully informed.

The proposal would also increase the maximum player buy-in from \$50 to \$100 and the total buy-in from \$200 to \$400. These limits have not changed since 1986.

It is anticipated that the Commission will adopt this change at the October 10, 2003, Commission meeting to become effective January 1, 2004.

*Discussed at the September 12, 2003,  
Commission Meeting*

### Audits & Reviews of Financial Statements

This proposed change would require house-banked card rooms with gross receipts of 3 million or less to have "reviewed" financial statements and operators above 3 million to have "audited" financial statements.

## Rule Changes Adopted at the August Commission meeting Effective 9-15-03

If you would like the text of these rules mailed to you, please contact Amy Duncan at (800) 345-2529, Ext. 3470.

### Elimination of Formal Phase II Reviews

In the past, house-banked card rooms opened with \$25 betting limits (Phase I). After six months of operation, betting limits could be increased to \$100 if the operator successfully passed a Phase II Review by staff and was formally approved by the Commission. Phase II inspection reports have recently documented few material violations. Because of this compliance record and in the interests of improved efficiency, the Commission changed the rules to eliminate the Phase II process and allow card rooms to open with \$100 betting limits.

Applicants for house-banked card room licenses will continue to come before the Commission for initial approval. However, they will no longer come before the Commission for a formal Phase II Review. Commission staff will conduct an unannounced compliance review sometime in the first six months of operation.

### Changes for Non-Staffed Surveillance Rooms

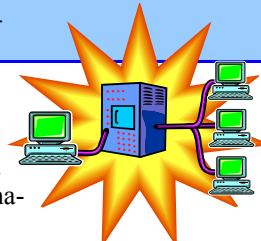
In the past, house-banked card rooms with five or fewer tables, which offered \$25 betting limits (Phase I) could operate with a non-staffed surveillance room. Now all card room are able to offer \$100 betting limits.

**Therefore, all card rooms are required to staff their surveillance room as of September 15, 2003.**

## All About Rules on our Website

Check out our Rules and Law page on our agency website. In addition to gambling rules and laws, this page contains information about our rule making process, such as:

- \* Which rules are currently under review and an explanation of the proposed changes;
- \* Dates and locations of public hearings where rule changes will be discussed;
- \* How to Petition the Commission for a Rule Change;
- \* A list of rules and laws that have been changed since our September 2001 Rules Manual was published;
- \* And much more.



## Card Room Employee—Gambling Violations

By: Robin Brown, Paralegal, Communications and Legal Division

Name	Violation	Case Outcome
Byron Desautel, Applicant Silver Dollar Casino, Tukwila	Denial due to the 2001 revocation of the applicant's previous card room employee license.	A hearing was held, and the Administrative Law Judge (ALJ) ordered the application denied. The applicant filed an appeal, which was heard at the March Commission meeting. At that meeting, the Commissioners upheld the ALJ's ruling. No further appeal was filed.
Jeremiah Jenkins, Card Room Employee (CRE) Cleopatra's Wild Grizzly Casino, Longview	Failure to follow internal control procedures.	The licensee agreed to a seven-day suspension of his license, which was served from February 7 through February 14, 2003.
David Yamashita, CRE Formerly employed at Silver Dollar, Tukwila	Revocation due to allegations of cheating.	A hearing was held, and the ALJ ordered the revocation of Mr. Yamashita's license. The licensee filed an appeal, which was heard at the March Commission meeting. The Commission instead ordered a six-month suspension of the license. No further appeal was filed.
Tianshu Li, CRE Golden Nugget Casino, Shoreline, and Big Al's Casino, Everett	Revocation due to allegations of cheating.	A hearing was held, and the ALJ found in favor of the licensee. No appeal was filed; therefore the ALJ's order became final.
Robert Fitzgerald, CRE Hideaway, Shoreline	Revocation due to allegations of cheating.	The licensee waived his right to a hearing. Therefore, at the August Commission Meeting the Commissioners entered an Order of Default revoking Mr. Fitzgerald's license.
Christopher Meaney, Applicant Goldie's Shoreline Casino, Shoreline	Criminal history, and failure to fully disclose that history.	A hearing was held, and the ALJ ordered the application denied. No appeal was filed; therefore, the ALJ's order became final.
William Marx, CRE Players & Spectators, Spokane	Revocation due to criminal history.	The licensee agreed to surrender his license, and not to reapply until after November 2004. Upon reapplication, no promises or assurance have been made to Mr. Marx that his application will be approved.
James Dye, CRE/Security Hawk's Prairie Casino, Olympia	Revocation due to the theft of pull-tabs.	The licensee did not respond to the Statement of Charges; therefore at the August Commission meeting the Commissioners entered an Order of Default, revoking Mr. Dye's license.
Sam Hoy, CRE/Controller Billie's Casino, Renton	Revocation due to theft while working at Hawk's Prairie Casino.	The licensee did not respond to the Statement of Charges; therefore, at the August Commission meeting the Commissioners entered an Order of Default, revoking Mr. Hoy's license.

## Petitions for Rule Change Heard at the August Commission Meeting

\* The Commission filed a Petition for Rule Change submitted by Dolores Chiechi on behalf of the Recreational Gaming Association (RGA). The RGA represents numerous card rooms.

The petitioner requests that betting limits for house-banked card rooms be increased from \$100 to \$300. This will be further discussed at the September 12, 2003, Commission meeting and we expect the Commission to take final action at the October 10, 2003, Commission meeting.

\* A Petition for Rule Change submitted by Rob Saucier, Galaxy Gaming, was not filed. Mr. Saucier was requesting a rule change to allow players to bet on the house's hand.

**We're on the  
Web!**  
**wsgc.wa.gov**

### Washington State Gambling Commission

Headquarters: P.O. Box 42400  
Olympia, Washington 98504-2400  
Phone: (360) 486-3440  
Toll Free: (800) 345-2529  
TDD: (360) 486-3637  
Website: [wsgc.wa.gov](http://wsgc.wa.gov)

### Call our Field Office closest to you for Regulatory or Operational Questions.

Bellingham (360) 738-6203  
Everett (425) 339-1728  
Kennewick (509) 734-7412  
Renton (425) 277-7014  
Spokane (509) 329-3666  
Tacoma (253) 471-5312  
Wenatchee (509) 662-0435  
Yakima (509) 575-2820

Editor, Layout and Design: Susan Arland This newsletter is published twice a year.

If you have any questions or comments about our newsletters, or would like to see a topic highlighted in an article, you can reach me at: Susan Arland, Rules Coordinator and Public Information Officer, P.O. Box 42400, Olympia, Washington 98504; (360) 486-3466, (800) 345-2529, Ext. 3466; or e-mail [susana@wsgc.wa.gov](mailto:susana@wsgc.wa.gov)

(Continued from page 1) Strategic Plan Will Mean Faster Service

Licensing Services is also planning for a new licensing computer database, and hopefully a digital imaging system, which will speed up a variety of licensing transactions by two to five days.

Those who do business with the Commission on a regular basis will be glad to know another goal is to "Conduct business as simply as possible." Improvements under this goal include accepting license applications, renewal applications, and processing refunds on-line. In the compliance arena, our goal is to "Maintain a regulatory environment that promotes compliance."

Answer Key to Word Search on the Front Page

T	O	R	U	L	E	S	A
B	K	S	E	Z	I	R	P
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An overall "Rules simplification" is planned with an eye toward readable rules and eliminating unnecessary rules. Updated rules training is planned for licensees, including a Card Room Employee video, and more on-line rules resources. "We are looking forward to better serving our stakeholders through this plan," stated Special Agent Shanna Lingel, Strategic Planning Team Chairperson.

Strategic planning is a process wherein an organization commits to performing only those processes which support its mission. The organization starts by gathering information from internal and external stakeholders and then defines its mission, vision and values, followed by developing supportive goals and projects to meet those goals. At the same time, existing processes are evaluated, and processes which aren't helpful in meeting its mission are eliminated. The Office of Financial Management requires all state agencies to incorporate strategic planning into their budgeting process.

## 2003 Commission Meeting Schedule

**October 9 & 10, 2003**  
Double Tree Hotel- Spokane City Center  
322 N Spokane Falls Court  
Spokane, WA 99201  
(509) 744-2310

**November 13 & 14, 2003**  
DoubleTree Guest Suites Southcenter  
16500 Southcenter Parkway  
Seattle, WA 98199  
(206) 575-8220

**December - No Meeting!**

## 2003 Legislative Update

The 2003 Legislative Session adjourned on June 11, 2003.

Although several bills were discussed that would have allowed machine gambling, none of these passed. However, they may be reconsidered in the 2004 Legislative Session.

A gambling Task Force was established in the state budget signed by Governor Locke on June 26, 2003. The Task Force is to examine possible ways to enhance state revenue from gaming.

The Task Force will be supported by the Lottery Commission and will be

made up of one member from each of the four legislative caucuses, the executive directors of the Gambling and Lottery Commissions and the Governor's designee. The Task Force will report to the House Appropriations Committee in January 2004.

If you have general questions about any gambling bills, please call Ed Fleisher, Legislative Liaison, at (800) 345-2529, ext. 3449, or Amy Patjens at ext. 3463. If you have specific comments you want the legislature to consider, please contact your local senator or representative directly.